

FINANCIAL AND COMMERCIAL.

SATURDAY, Oct. 4.

An opening display of hesitancy in the stock market gave way after the announcement of the weekly bank statement to positive weakness. The sentiment in professional circles was sufficiently blue to cause the fact to be overlooked that the banks have not made use of the ruling of the Secretary of the Treasury permitting them to loan up to the extent of 25 per cent. of the deposits of the Government in the depository banks. As these deposits are estimated at nearly \$40,000,000, the banks have in reality about \$10,000,000 surplus, in addition to the reported surplus of \$1,819,200. Speculative Wall Street was disappointed at the showing made. The drastic liquidation which occurred early in the week would, it was believed, lead to a very considerable decrease in loans. Instead of such a development, however, the curtailment of loans amounted to only \$1,878,000, so that the reserve required after reducing deposits to the extent of \$4,343,100 was only \$1,085,75 less than last week. If the amount which the banks have on hand as a safety fund had been included in the surplus, the amount held would now compare favorably with the corresponding week of last year, when it was about \$15,000,000.

Not sight of in view of the failure of the conference held at the White House to evolve some plan for a settlement of the anthracite coal strike. It has been repeatedly stated by the coal operators that they would not consider any proposition looking to an end to the strike other than the unconditional surrender of the miners and their return to work. It is perfectly apparent that a termination of the murders, intimidation and arson on the part of the strikers would enable the mine owners to reopen their properties and provide the consumers with all the coal required. The time to arbitrate is after peace and quietness have been established in the anthracite coal districts. It is only the existing reign of terror which prevents a wholesale desertion of the miners from the strikers' ranks and their voluntary return to work. To have accepted a plan of arbitration now would have been equal to compromising with the leader of a horde of law breakers. Wall Street understands the situation thoroughly. When outside interference stops, the miners understand that the questions at issue are personal ones between their employers and themselves rather than between the professional agitator who poses as their leader and a collective group of operators, whose interests are similar, but not absolutely the same, the disintegration of the strikers' ranks will soon be in full swing.

Naturally, with existing money conditions and the perplexities of the coal strike directly in view, the operators and speculators in the market are inclined to make haste slowly. The banks find their temper among speculators quite to their liking. It is now incumbent upon the financial leaders to successfully bridge over present complications. Money should begin to return to this centre in the middle of November. The interior drain should stop the latter part of this month. As speculation is anticipation, and therefore not dependent altogether upon realization, it is likely that activity will develop in the stock market when the outgo of money ceases without awaiting the period of the usual return flow. In the meantime, exports of cereals and cotton should increase, and by about the 20th of the present month the supply of foreign exchange bills in the market should be materially augmented. The drain to the Treasury for customs payments should also show decreases in the near future. The large payments now result from the purchases of fall goods by importing houses. Most of the large wholesale and retail stores here and in interior cities will have sold their supplies in hand for their autumn displays, after which the customs receipts from this class of goods will be mainly for withdrawals from bonded warehouses to replenish stock.

Aside from the bank statement and some stray fragments of rumor and gossip on the coal strike situation, there was no news development during the day. Activity was fairly pronounced for a Saturday half holiday, and the trading was well distributed. The railway shares monopolized most of the speculative attention, and with but few exceptions they were weak. A very pronounced bear party has developed among the bear traders and already a considerable short interest has been built up. Where speculators have not actually espoused the bear cause, they have reduced their commitments and furled their sails to meet any unfavorable wind. This is one of the conditions which make for technical strength. It rarely happens that the flotsam and jetsam of Wall Street takes the right side. It must not be overlooked, however, that there are many counter currents now, and therefore the navigator must be alert. This frame of mind is very acceptable to the bankers, who are inclined to exert every influence toward maintaining a financial equilibrium and discouraging unwise speculation. Besides the demand for money from the interior and the Treasury, the bankers are keeping their weather eye on the sterling market, and with good cause, for notwithstanding the high interest rates here, foreign exchange displays a persistent tendency to advance.

The most pronounced activity in the railway list was in Atchison, St. Paul, Erie, Missouri Pacific, Pennsylvania, Reading, Southern Pacific, Southern Railway and Union Pacific. Without an exception these shares closed with declines ranging from slightly less than 1 per cent. to 1/2 per cent., which was the net decline for Missouri Pacific. Reading was the most active of the anthracite shares, its closing quotation of 60 1/2 showing a net loss of 2 1/2 per cent. Other anthracite issues were neglected excepting Erie and Ontario and Western, each of which lost about one point. Norfolk and Western and Chesapeake and Ohio are enjoying greatly increased earnings from their heavy bituminous traffic and hence in relatively whet rumors are current of possible changes in the anthracite situation. Special considerations were influential, and hence the railway stock generally moved downward because of general uncertainty. Railway bonds were quite as uninteresting in their movements as stocks. Pennsylvania 3 1/2 per cent. warrants, Union Pacific convertible Green Bay and Western, debenture B, and Wabash debenture B were the features.

Industrial shares while relatively firmer than the railway were less active. Amalgamated Copper on small transactions held fairly steady. Another bearish statement was given out on the copper metal outlook, but striking a fair average between all of the figures of the statistics it appears that the consumption is increasing at a faster rate than the production. Surplus supplies are being gradually absorbed and the inauguration of a conservative and businesslike policy by the big producers would soon place the trade in a strong position. Pressed Steel Car common was one of the very few active stocks which were strong throughout the day, closing

with a small fractional net advance. There is no confirmation obtainable of the reported consolidation of this company and the American Car and Foundry Company, the real basis for the strength of the securities of the former being the present large earnings. On the "curb" there was a curtailment of activity and declines were scored by Northern Securities, Rock Island issues and United States Realty shares. Copper stocks were steady, particularly Montreal and Boston and British Columbia. As compared with the final prices of last Saturday the majority of stocks are lower. The more important net declines are in Louisville and Nashville 10 1/2 per cent., Canadian Pacific 4 1/2, American Sugar Refining 3 1/2, New York Central 3 1/2, Union Pacific 3 1/2, Atchison and Metropolitan Street Railway 3 each, Southern Pacific 2 1/2, Missouri Pacific 2 1/2, Brooklyn Rapid Transit 2 1/2, Baltimore and Ohio 2 1/2, Chicago and Alton and Pennsylvania Railroad 2 each, Manhattan Railway 1 1/2, Chesapeake and Ohio, Erie first preferred and Peoples Gas 1 1/2 each, Atchison preferred 1, American Locomotive, Mexican Central and Union Pacific preferred 1 each, Amalgamated Copper, Chicago Great Western and United States Steel 1 1/2 each, Erie and Tennessee Coal and Iron 1 per cent. each. The noteworthy advances are in Rock Island 9 per cent., Reading second preferred 1, Norfolk

first preferred 1 1/2 per cent.

NEW YORK STOCK EXCHANGE SALES, Oct. 4.
UNITED STATES AND STATE BONDS (IN \$1,000)

15 Va 6-d B & Co. 14 1/2 1 1/4

CLOSING PRICES OF UNITED STATES BONDS Bid. Asked

Bid. Asked

U.S. 28, c. 10 1/2 10 1/2

U.S. 28, c. 10 1/2 10 1/2

U.S. 30, c. 10 1/2 10 1/2